

This listing of claims will replace all prior versions and listings of claims in the application:

**Listing of Claims:**

1. (Previously presented): A method of conducting a customer affinity program auction, comprising:

receiving a bid of reward points from a customer using a computer terminal for merchandise being offered in the auction.

2. (original): The method of claim 1, further comprising:

receiving registration information from the customer.

3. (original): The method of claim 2, wherein the customer registration information includes payment information.

4. (original): The method of claim 1, further comprising:

providing a preview of the merchandise being offered in the auction.

5. (original): The method of claim 1, further comprising

authenticating the customer; and

allowing the customer to access a reward points balance.

6. (original): The method of claim 5 further comprising

allowing the customer to purchase additional reward points for use in the auction.

7. (original): The method of claim 6, wherein the customer is allowed to purchase a specific number of reward points at an exchange rate.

8. (original): The method of claim 7 further comprising determining a cost for the reward points purchased and transmitting a request for payment for the cost of the reward points.
9. (original): The method of claim 6, further comprising allowing a purchase of reward points on a floating basis.
10. (original): The method of claim 1, further comprising:  
deducting reward points expended in the auction from a reward points balance.
11. (original): The method of claim 9, further comprising:  
determining a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and transmitting a request for payment for the cost of the reward points.
12. (original): A customer affinity program auction system, comprising:  
a central controller constructed to receive a bid of reward points from a customer for merchandise being offered in the auction.
13. (original): The system of claim 12, further comprising:  
the central controller is constructed to receive registration information from the customer.
14. (original): The system of claim 13, wherein the customer registration information received by the central controller includes payment information.

15. (original): The system of claim 12, further comprising:

the central controller is constructed to provide a preview of the merchandise being offered in the auction.

16. (original): The system of claim 12, further comprising

the central controller is constructed to authenticate the customer and allow the customer to access a reward points balance.

17. (original): The system of claim 16 further comprising

the central controller is constructed to allow the customer to purchase additional reward points for use in the auction.

18. (original): The system of claim 17, wherein the central controller is constructed to allow the customer to purchase a specific number of reward points at an exchange rate.

19. (original): The system of claim 18 further comprising the central controller is constructed to determine a cost for the reward points purchased and transmits a request for payment for the cost of the reward points.

20. (original): The system of claim 17, wherein the central controller is constructed to allow the customer to purchase reward points on a floating basis.

21. (original): The system of claim 12, further comprising:

the central controller is constructed to deduct reward points expended in the auction from a reward points balance.

22. (original): The system of claim 20, further comprising:

the central controller is constructed to determining a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and transmitting a request for payment for the cost of the reward points.

23. (original): Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module to receive a bid of reward points from a customer for merchandise being offered in the auction.

24. (original): The computer executable code of claim 23, further comprising:

a module to receive registration information from the customer.

25. (original): The computer executable code of claim 24, wherein the customer registration information includes payment information.

26. (original): The computer executable code of claim 23, further comprising:

a module to provide a preview of merchandise being offered in the auction.

27. (original): The computer executable code of claim 23, further comprising

a module to authenticate the customer; and

a module to allow the customer to access a reward points balance.

28. (original): The computer executable code of claim 27 further comprising

a module to allow the customer to purchase additional reward points for use in the auction.

29. (original): The computer executable code of claim 28, wherein the customer is allowed to purchase a specific number of reward points at an exchange rate.
30. (original): The computer executable code of claim 29 further comprising a module to determine a cost for the reward points purchased and a module to transmit a request for payment for the cost of the reward points.
31. (original): The computer executable code of claim 28, further comprising allowing a purchase of reward points on a floating basis.
32. (original): The computer executable code of claim 23, further comprising:  
a module to deduct reward points expended in the auction from a reward points balance.
33. (original): The computer executable code of claim 31, further comprising:  
a module to determine a cost for purchasing reward points expended in the auction in excess of the customer's reward points balance and a module to transmit a request for payment for the cost of the reward points.
34. (original): A method of conducting a customer affinity program auction comprising:  
determining a minimum opening bid price by applying an auction pricing discount factor in reward points based on the merchandise being auctioned and the time period of the auction.
35. (original): The method of claim 34, further comprising:  
determining a bid increment.

36. (original): A customer affinity program auction system comprising:

a central controller constructed to determining a minimum opening bid price by applying an auction pricing discount factor in reward points based on the merchandise being auctioned and the time period of the auction.

37. (original): The system of claim 36, further comprising:

the central controller is constructed to determine a bid increment.

38. (original): Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module to determine a minimum opening bid price by applying an auction pricing discount factor in reward points based on the merchandise being auctioned and the time period of the auction.

39. (original): The computer executable code of claim 38, further comprising:

a module to determine a bid increment.

40. (Previously presented): A method of conducting a customer affinity program auction comprising:

receiving a bid in cash from a customer using a computer terminal for merchandise being offered in the auction,

wherein at least a portion of the bid is paid for by reward points converted to a cash value.

41. (original): The method of claim 40, further comprising:

receiving registration information from the customer.

42. (original): The method of claim 41, wherein the customer registration information includes payment information.
43. (original): The method of claim 40, further comprising:  
providing a preview of the merchandise being offered in the auction.
44. (original): The method of claim 40, further comprising  
authenticating the customer; and  
allowing the customer to access a reward points balance.
45. (original): The method of claim 40 wherein the reward points are converted to a cash value using an exchange rate.
46. (original): A customer affinity program auction system, comprising:  
a central controller constructed to receive a bid in cash from a customer for merchandise being offered in the auction,  
wherein at least a portion of the bid is paid for by reward points converted to a cash value.
47. (original): The system of claim 46, further comprising:  
the central controller is constructed to receive registration information from the customer.
48. (original): The system of claim 47, wherein the customer registration information includes payment information.

49. (original): The system of claim 46, further comprising:

the central controller is constructed to provide a preview of the merchandise being offered in the auction.

50. (original): The system of claim 46, further comprising

the central controller is constructed to authenticate the customer and allow the customer to access a reward points balance.

51. (original): The system of claim 46 wherein the central controller is constructed so that the reward points are converted to a cash value using an exchange rate.

52. (original): Computer executable code stored on a computer readable medium for conducting a customer affinity program auction, comprising:

a module to receive a bid in cash from a customer for merchandise being offered in the auction,

wherein at least a portion of the bid is paid for by reward points converted to a cash value.

53. (original): The computer executable code of claim 52, further comprising:

a module to receive registration information from the customer.

54. (original): The computer executable code of claim 53, wherein the customer registration information includes payment information.



55. (original): The computer executable code of claim 52, further comprising:  
a module to provide a preview of the merchandise being offered in the auction.
56. (original): The computer executable code of claim 52, further comprising  
a module to authenticate the customer; and  
a module to allow the customer to access a reward points balance.
57. (original): The computer executable code of claim 52 wherein the module converts  
reward points to a cash value using an exchange rate.